

## **REMARKS**

### **INTRODUCTION**

The Office Action dated August 11, 2003, and the references cited therein have been carefully considered. In response, the applicant offers the following remarks.

### **OFFICE ACTION REJECTIONS**

The Office Action rejected claims 61, 62, 64, 66-68, 73, 74, 76-79, 81, 84, 89, 90, 92, 93, 95, 97, 98, 103, 104, 106, 108, 110, 111, 116 and 118 under 103(a) as being unpatentable over Itkis (U.S. Patent no. 4,856,787) in view of Saikawa (U.S. Patent no. 6,509,896) and Martin (U.S. Patent no. 5,618,232).

The Office Action rejected claims 75, 91, 105 & 117 under 35 USC 103(a) as being unpatentable over Itkis as applied to claims 61, 77, 92 and 106 as appropriate, in view of Yamazaki, U.S. patent 6,251,011 ("Yamazaki").

The Office Action rejected claims 63, 80 and 107 under 35 USC 103(a) as being unpatentable over Itkis as applied to claims 61, 77 and 106 and further in view of Halic (U.S. Patent no. 5,700,195) and Hara et al. (U.S. Patent no. 5,027,415).

The Office Action rejected claims 65, 82, 96 and 109 under 35 U.S.C 103(a) as being unpatentable over Itkis as applied to claims 61, 77, 92 and 106 in view of Pendergrass, Jr. (U.S. Patent no. 5,565,148).

The Office Action rejected claims 69, 85, 99 and 112 under 35 USC 103(a) as being unpatentable over Itkis as applied to claims 61, 77, 92 and 106 in view of DeMar et al. (U.S. Patent no. 6,270,410).

The Office Action rejected claims 70, 72, 86, 88, 100, 113 and 115 under 35 USC 103(a) as being unpatentable over Itkis as applied to claims 61, 77, 92 and 106 in view of Ahdoot. (U.S. Patent no. 5,913,727).

The Office Action rejected claims 71, 87, 101 and 114 under 35 USC 103(a) as being unpatentable over Itkis as applied to claims 61, 77, 92 and 106 in view of Yamazaki et al. (U.S. Patent no. 5,800,265).

### **SYNOPSIS OF PRIOR ART**

Itkis (U.S. Patent no. 4,856,787) apparently discloses a distributed game network with a master game device and a number of slave game devices. The slave game device apparently is capable of playing concurrently a number of games such as poker, bingo, blackjack and keno. The slave game device apparently receives commands from the master game device and sends the local game status and accounting information to the master game device. The slave device apparently has a touch screen and also discloses that a light pen may be used to select items. When a keno number is selected, the reference apparently discloses that the number is displayed as crosshatched.

Saikawa (U.S. Patent no. 6,509,896) apparently discloses an image processing unit for a shooting game in which suitable images can be displayed according to a given situation, and in which more exciting and easy-to-manipulate images are displayed. Coordinate values for objects in three-dimensional virtual space are established on the basis of prerecorded object shape data. Apparently, a gun can be used to play the games and the gun has air-powered recoil. An object of the Saikawa invention apparently is to provide an image processing unit displaying images that are more playable and more exciting.

Martin (U.S. Patent no. 5,618,232) apparently discloses an electronic game device system that is switchable between an amusement mode and a gaming or gambling mode where the switch may be automatic depending on the geographical location of the system. Martin also apparently discloses an improved method of operating a touch screen on a CRT

or LCD computer screen which uses finger release as input registering, and also may use highlighting of a button area when pointed to by a user for any highlighted button.

## **ARGUMENTS FOR PATENTABILITY**

In response to the Office Action of August 11, 2003, applicant has reduced the number of pending claims to clarify the issues to be analyzed.

Under relevant case law and according to MPEP section 2143.01, a suggestion or motivation is needed to modify a reference and there are three possible sources for a motivation: the nature of the problem to be solved; the teachings of the prior art; and the knowledge of persons of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1357 (Fed. Cir. 1998). MPEP 2143.01 explains more specifically when it is and is not proper to find motivation to modify a reference under 35 U.S.C. Sec. 103 in order meet the requirements of a *prima facie* section 103 rejection.

None of the stated rejections identify a legally cognizable suggestion for combining the cited references, and all of those same rejections fail to cite actual evidence to support the positions taken in the previous Office action. As explained in detail below, the role of the Patent Office is not to speculate as to how one might combine references to re-create the combination of elements appearing in the applicant's claims. On the contrary, the role of the Patent Office is much more narrowly restricted to examining the prior art for actual evidence of obviousness of the claimed combinations. Absent actual evidence, the rejections collapse to conjecture and personal opinion, a clearly improper basis for examining claims.

The bedrock legal principles for rejecting a claim under 35 U.S.C. § 103 demonstrate the problematic nature of the rejections. Specifically, in In re Rouffet, 47 U.S.P.Q.2d 1453 (Fed. Cir. 1998) the Federal Circuit explained: "To reject claims in an application under section 103, an examiner must show an unrebutted *prima facie* case of obviousness. In the

absence of a proper *prima facie* case of obviousness, an applicant who complies with the other statutory requirements is entitled to a patent." *Id.* at 1455 (citations omitted and emphasis added). In the Rouffet case, the Examiner had rejected the pending claims on a combination of references. The Board sustained the Examiner. However, the Federal Circuit reversed the Board's decision and ruled that the Examiner's rejections were legally impermissible because they failed to demonstrate a suggestion for combining the references in the manner proposed by the Examiner.

As explained by the Federal Circuit:

As this court has stated, "virtually all [inventions] are combinations of old elements." Therefore, an examiner may often find every element of a claimed invention in the prior art. If identification of each claimed element in the prior art were sufficient to negate patentability, very few patents would ever issue. Furthermore, rejecting patents solely by finding prior art corollaries for the claimed elements would permit an examiner to use the claimed invention-itself as a blueprint for piecing together elements in the prior art to defeat the patentability of the claimed invention. Such an approach would be "an illogical and inappropriate process by which to determine patentability." To prevent the use of hindsight based on the invention to defeat patentability of the invention, this court requires the examiner to show a motivation to combine the references that create the case of obviousness.

*Id.* at 1457-58 (citations omitted and emphasis added). These principles have not been followed in rejecting the pending claims. Merely stating an advantage or possible advantage of combining references, as was done to reject the pending claims, is not the same as "show[ing] a motivation to combine the references."

On the contrary, in order to establish a *prima facie* case of obviousness, there must be actual evidence of a suggestion to modify a prior art reference or to combine two prior art references, and the suggestion to combine or modify the prior art must be clear and particular. In re Dembiczak, 50 U.S.P.Q.2d 1614, 1617 (Fed. Cir. 1999). In order to establish a *prima facie* case of unpatentability, particular factual findings demonstrating the suggestion to

combine must be made. See, for example, Ecolochem Inc. v. Southern California Edison, 56 U.S.P.Q.2d 1065, 1072-73 (Fed. Cir. 2000) and In re Dembiczak, 50 U.S.P.Q.2d 1614, 1617-1618 (Fed. Cir. 1999). Indeed, the law is quite clear that an obviousness rejection must be based on facts, not conjecture.

The Supreme Court... foreclosed the use of substitutes for facts in determining obviousness under section 103. The legal conclusion of obviousness *must be supported by facts*. Where the legal conclusion is not supported by facts it cannot stand.

In re Warner, 379 F.2d 1011, 1017 (C.C.P.A. 1967). This longstanding principle has been followed to date. For example, in the unpublished Board decision, Ex parte Megens, App. No. 1999-0277 (B.P.A.I. Oct. 29, 1999), the Board stated:

Rejections based on 35 U.S.C. § 103 must rest on a factual basis. In re Warner, 379 F.2d 1011, 1017, 154 U.S.P.Q. 173, 177-78 (CCPA 1967). *In making such a rejection, an examiner has the initial duty of supplying the requisite factual basis and may not, because of doubts that the invention is patentable, resort to speculation, unfounded assumptions or hindsight reconstruction to supply deficiencies in the factual basis.* Id.

The examiner's conclusion that it would have been obvious to incline Phillips' loading dock floor 65 rests on the completely unfounded assumption that it would be desirable to drain liquid from the floor. The Phillips reference, however, is devoid of any indication that liquid might accumulate on the floor or that such accumulation would pose a problem even if it did occur. It is therefore apparent that the examiner has resorted to *improper speculation* and hindsight reconstruction to overcome the admitted deficiency of Phillips vis-à-vis the subject matter recited in claim 1.

(Megens at Pages 4-5)(emphasis added).

This is precisely the situation presented in this application. The § 103 rejections made in the Office action amount to speculative statements that, given the alleged presence of these elements in the prior art and the advantage that combining these elements would allegedly achieve, a person skilled in the art would have found it obvious to combine the references to create the claimed invention. The problem with this approach is that it *effectively eliminates*

*the requirement of identifying a suggestion for combining references from the obviousness analysis.* More specifically, the analysis present in the Office action proceeds in the following manner:

- a) What elements are present in the pending claims?
- b) Can these elements be found in prior art references?
- c) If they can be found, and the references themselves provide no suggestion for combining these elements, can some end or advantage be identified to combine the elements in the manner proposed in the Applicant's claims?
- d) If so, combine the elements in the manner proposed by the Applicant and reject the pending claims.

This analysis is flawed. Specifically, as noted by the Federal Circuit in the Rouffet quote identified above, all of the elements of most claimed inventions can almost always be found in the prior art. Therefore, the answer to step “b” above will almost always be “yes.” Since it is a statutory requirement that all inventions have utility, there will also always be an identifiable end or advantage in combining the elements in the prior art in the manner proposed by any claim (e.g., if there was no purpose to an element in a claim it would not be included in the claimed apparatus, after all, who would pursue a claim with superfluous elements or a claim with no utility?). Therefore, if the “suggestion” requirement of 35 U.S.C. § 103 can be met by merely identifying any end or advantage which will be achieved by combining the elements of the prior art references, the suggestion requirement can always be met and is utterly meaningless.

This inherent flaw in the analysis employed in the Office action is elucidated by viewing an example of its use. On page 4, the Office action states:

It would have been obvious to one skilled in the art at the time of the invention to have provided feedback through the virtual object when a selectable item is selected (i.e., cause the gun to recoil) in order to increase the realism of the game.

(Paper No. 14, Page 4)(emphasis added). Examining the “motivation” statement more carefully, the first part of the statement, namely, “It would have been obvious to one skilled in the art at the time of the invention to have provided feedback through the virtual object when a selectable item is selected” simply states what the proposed modification of the primary reference is to be; in this case modifying the pointing device of Itkis to include feedback. This part of the statement, thus, describes the proposed modification, but offers no explanation of a motivation for making that modification. The final part of the statement, namely, “in order to increase the realism of the game,” must, then be the alleged “motivation” for modifying Itkis.

However, while it is true that one possible advantage of adding feedback to a pointing device is increasing the realism of the game, that is not a suggestion in and of itself for adding feedback to the pointing device of Itkis. “The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious **unless the prior art suggested the desirability of the modification.”** In re Fritch, 23 U.S.P.Q.2d 1780, 1783-84 (Fed. Cir. 1992)(emphasis added). Here, the Office action does not identify any desirability of the modification. It only identifies an old element (i.e., feedback) that has an inherent property (i.e., novelty). Indeed, the Office action’s conclusory statement amounts to nothing more than stating “A person of ordinary skill in the art would be motivated to modify Itkis to include feedback because they would want to gain a benefit of having feedback.” In other words, the Examiner is effectively saying that the motivation of adding feedback to the Itkis pointing device is to have the inherent benefit of adding the novelty of feedback to Itkis. Of course, such circular reasoning (i.e., add “X” to have “X”) cannot be a legally proper tool for identifying a suggestion for combining references. If it were, no combination of old elements would ever be patentable because one can always nakedly state, a person would be motivated to add old element X from one reference to

another reference because adding element X offers an advantage (again, if adding “X” had no advantage, who would ever claim it?). Simply put, there is always an advantage to combining old elements that can be identified once that combination is known.

It should be quite clear from the above that merely identifying an advantage for adding an old element to a combination of elements is not a proper suggestion for making that combination. The MPEP further proves this point. In particular, MPEP § 2144 states that “the strongest rationale for combining references is a recognition... in the prior art or... based on established scientific principles or legal precedent, that some advantage would have been produced by their combination.” (Examiner’s Answer, Page 23). The MPEP cites In re Sernaker, 702 F.2d 989, 994-95 (Fed. Cir. 1983) to support this proposition.

Looking first at the Sernaker case, the Federal Circuit states: “The lesson of this case appears to be that prior art references in combination do not make an invention obvious unless something in the prior art references would suggest the advantage to be derived from combining their teachings.” Sernaker, 702 F.2d at 995-96 (emphasis added). Notice that this statement does not state that it is obvious to combine references simply because there is an advantage to doing so. On the contrary, it carefully states that there can be no obviousness ruling unless something in the art suggests an advantage to combining the references. The advantage itself is not the suggestion, but rather the Court makes it clear that something else suggests the advantage.

The MPEP quote noted above is similar. It states that the “strongest rationale for combining references is a recognition ... in the prior art or... based on established scientific principles or legal precedent that some advantage or expected beneficial result would have been produced by their combination.” (MPEP, Page 2100-127) (emphasis added). This, of course, does not state that the strongest rationale for combining references is the mere

presence of an advantage to doing so. Instead, as in Sernaker, the strongest rationale is a recognition (i.e., a suggestion) in the art that an advantage will result.

Rather than looking for something in the art that suggests an advantage to making the combination, the Office action just looks for the advantage itself and uses that advantage as the necessary “suggestion.” As explained above, this is a literal elimination<sup>1</sup> of the suggestion requirement. As there is always an advantage to a claimed element (or why would you claim it?), the Office action’s view of an advantage as the suggestion inherently renders all combinations of old elements unpatentable precisely because it eliminates the suggestion requirement from the analysis. Clearly, neither the MPEP section noted above nor the Sernaker case upon which that MPEP section rests for authority stands for the proposition that an advantage of an element is a suggestion in and of itself for including that element in a combination.

In view of the foregoing, applicants respectfully submit that the § 103 rejections made in the Office action must be withdrawn because they fail to identify a legally proper suggestion for combining the prior art references in the manner proposed by the Examiner.

Turning to the specifics of the § 103 rejection, the Office Action proposes a combination of the Itkis, Saikawa and Martin references as a basis to reject all the claims. The new pending claims are similar to the rejected claims but are reduced in number in order to aid the analysis. Other references are added to the Itkis, Saikawa and Martin combination to address additional limitations present in the dependent claims. In summarizing the rejection, the Office action states:

In this case, the use of themes to promote the play of slot machines is extremely well known in the art. The art is replete with gaming devices that adopt some portion of their physical appearance to conform with a theme. Since the underlying

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<sup>1</sup> It literally removes the “recognition” portion of the MPEP quote above and the “something in the art” portion of the Sernaker quote.

games are virtually identical (video keno is pretty much the same no matter which machine it is played on), game manufacturers must rely on entertainment factors to attract players. Adopting a theme for a gaming machine is a common way to accomplish this. It would have been obvious to one skilled in the art at the time of the invention to have combined Itkis, Saikawa, and Martin in order to create a theme for a gaming machine that will increase the entertainment value of the machine and attract the players.

First, and most important, the claims do not call for themes, but call for specific pointing devices shaped like known objects that also have feedback. Second, the Office action has not cited any evidence or motivation to combine these references. On this basis alone, the rejection cannot stand.

In addition, when one looks to the proposed combination of Itkis, Saikawa and Martin, such a combination is improper in that there is no motivation to combine the references as indicated by the different problems that each reference is addressing. Itkis addresses the problem of playing traditional casino games where players can play against each other by using slave machines that are in communication with a master game machine. There is no mention of playing games beyond the traditional casino games.

Saikawa is concerned with developing an improved manner to manipulate, track and shoot at images in a virtual three-dimensional space in an action game. Saikawa also is concerned with adding further realism to action games such as baseball or shooting games by adding feedback to the pointing device. Saikawa is also interested in making the game more challenging by using an improved method or tracking and displaying images to make it more challenging to shoot at the moving or obscured images.

Martin is concerned with creating a game that can be switched between a gambling game and an amusement game in order to not break any laws (possibly depending on the location of the game) and providing an improved touch screen.

Of the three references, Itkis and Martin are concerned with traditional casino based games. Saikawa is concerned with tracing and selecting moving images such as a baseball or a monster and selecting (or shooting at) such moving images necessitates a different type of pointer. As the references are addressing different problems, there is no motivation to combine them as required by MPEP, Section 2145.X.C.

In Saikawa, using a traditional touch screen (or light pen) to track and select moving images would not be nearly as effective or fun. In addition, the goal of tracing a moving image is more challenging and stimulating when using a known object such as a gun or a remote control. The additional requirement of "good aim" adds another element to the game because in such games, an individual not only has to select the proper image on the display, the user has to properly aim at the image which often times is moving or purposely obscured.

Further, in a casino based game such as Itkis or Martin, the casinos want a player to make a selection. The images that can be selected are stationary and often are located in prominent locations to make selection easier. As the images to be selected are intentionally stationary and clearly visible, it make sense to use a traditional touch screen as there is little or no challenge involved in making a selection in a traditional casino game. In addition, the casinos want players to make a selection so it would be illogical in Itkis or Martin to look to add to Saikawa the element of attempting to select/shoot a moving image. As a result, the motivation found in the reference is to not combine the references.

Accordingly, there is no suggestion as required by MPEP 2145.X.C to combine a traditional casino game like Itkis or Martin with a pointing device from an action game like Saikawa. In a traditional casino game, the images that can be selected are stationary. In an action game like Saikawa, the images that can be selected move, making tracking and selection a challenge which in turn makes having a virtual object as a selection device make sense. Again, as MPEP section 2145.X.C states "there must be some suggestion or

motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify or combine reference teachings." A casino that uses Itkis or Martin type games do not desire to make selection a challenge so the only motivation there is to add the pointing device of Saikawa to Itkis or Martin is a motivation to avoid combining a Saikawa like selection device with Itkis or Martin. Because Itkis/Martin and Saikawa are addressing different problems, there is no positive motivation (only negative motivation) in the references or in the knowledge generally available to combine the references. See, In re Dembiczak, 50 U.S.P.Q.2d 1614, 1618 (Fed. Cir. 1999) (reciting the need for findings regarding the identification of the relevant art, the level of ordinary skill in the art, the nature of the problem to be solved, or other factual findings to support an obviousness analysis).

A second reason that the pending application is not obvious in view of Itkis, Saikawa and Martin is that all the independent claims as amended call for the virtual object to provide feedback to the user. Providing feedback is found in Saikawa which makes sense as it is an action game. However, Itkis and Martin are traditional casino games and it does not make sense to add feedback to a non-action game as described in Itkis or Martin. In a traditional casino game, there is little challenge to selecting an image as the images are stationary and prominent so it would not make sense to add feedback to successfully selecting a stationary image. Certainly, there is no teaching or motivation in Itkis or Martin to make this combination. The input device itself is an afterthought to the teachings of Itkis and Martin and providing feedback would be beyond their teachings or suggestions.

The mere fact that Itkis could be modified is not sufficient to establish a prima facie case of obviousness. See Section 2143.01 of the M.P.E.P. All that is important in Itkis and Martin is that a user can input information and Itkis and Martin discloses inputting information using either a touch screen or a light pen. There is no suggestion to add the

feedback pointing device of Saikawa to Itkis or Martin because the casinos do not desire to make selection of an image a challenge and there is no support to make such a combination.

In view of the repeated rejections of the claims, it appears that there is a predisposition against the inventions claimed in the instant application because of the simplicity with which they can be understood. However, complexity is not a statutory requirement of patentability. On the contrary,

Though technology has burgeoned, the patent system is not limited to sophisticated technologies and powerful corporations. Nowhere in the statute or the Constitution is the patent system opened only to those who make complex inventions difficult for judges to understand and foreclosed to those who make less mysterious inventions a judge can understand after hearing, as here, the inventor's explanation of his invention and the engineering principles he employed. The constitutional purpose is to encourage disclosure of patentable contributions to "progress in the useful arts", *all* the useful arts, not just the esoteric. The statute requires utility, novelty, and nonobviousness, not complexity.

Panduit Corp. v. Dennison Manufacturing Co., 810 F.2d 1561, 1 U.S.P.Q.2d 1593 (Fed. Cir.), cert. denied, 481 U.S. 1052 (1982) (emphasis added). As demonstrated above, the claimed combinations of this application meet the utility, novelty and non-obviousness requirements. Thus, the rejections are unsupported in law and in fact and must be withdrawn and this case passed to issue.

## **CONCLUSION**

In conclusion, the applicant submits that all pending claims are novel and non-obvious and are in condition for allowance. In the light of the foregoing, the prompt issuance of a notice of allowance is respectfully solicited. Should the Examiner have any questions, the Examiner is respectfully invited to telephone the undersigned.

Respectfully submitted,

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